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Report of the Economic Commission for Europe on regional statistical development in Europe

Note by the Secretary-General

In accordance with the request of the Statistical Commission at its forty-second session (see E/2011/24, chap. I.A), the Secretary-General has the honour to transmit the report of the Economic Commission for Europe (ECE) on regional statistical development in Europe. The report elaborates on the coordination of international statistical work in the ECE region through the Conference of European Statisticians, describes the current challenges in methodological work and lists the recent guidelines and recommendations developed under the Conference of European Statisticians as a result of joint international work. It also highlights the main challenges in official statistics in countries of Eastern Europe, the Caucasus and Central Asia, including issues related to adherence to the United Nations Fundamental Principles of Official Statistics and the need for statistical capacity-building. Specific points for discussion are suggested in paragraph 60.

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Report of the Economic Commission for Europe on regional statistical development in Europe

I. Introduction

1. At its forty-second session (22-25 February 2011), the Statistical Commission requested the Economic Commission for Europe (ECE) to submit a report on statistical development in the ECE region to the Commission at its forty-third session (28 February-2 March 2012) (see E/2011/24, chap. I.A).

2. The present report discusses the coordination of international statistical work in the ECE region, addresses issues related to the implementation of the United Nations Fundamental Principles of Official Statistics, and highlights the main challenges facing official statistics, including needs for statistical capacity-building. The report focuses on statistical areas covered by ECE and the Conference of European Statisticians, and does not attempt to provide a comprehensive analysis of all statistical challenges in the region.

3. The objective of the ECE statistical work programme is to improve the quality of official statistics at the national and international levels, and to ensure the coordination of international statistical activities undertaken in the ECE region. The work is steered by the Conference of European Statisticians and its Bureau.

4. The Commission has 56 member States, including the countries of Europe, North America (Canada and United States of America), Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) and Israel. For more than 10 years, the member countries of the Organization for Economic Cooperation and Development (OECD) outside the region (Australia, Chile, Japan, Republic of Korea, Mexico and New Zealand), as well as Brazil and Mongolia, have participated in the statistical work undertaken by ECE and have been active members of the Conference of European Statisticians. China, South Africa and some other countries outside the region have also participated in the meetings.

5. The ECE region consists of countries with very diverse levels of economic and statistical development. Furthermore, there is an overlap in the membership of ECE, OECD, the European Union (EU) and the Commonwealth of Independent States (CIS). These specifics have defined over the years the way the statistical work is organized in the region.

6. Twenty-seven of the ECE member countries are members of the European Union. The statistical systems of EU member countries and the Statistical Office of the European Union (Eurostat) make up the European Statistical System, which operates according to a common legal framework and Code of Practice.

7. Many of the OECD member countries also belong to the ECE region. As noted earlier, the OECD members outside the region participate actively in the work of the Conference of European Statisticians. The OECD Statistics Directorate is responsible for providing comparable statistics and promoting and developing statistical standards for the OECD member countries.

8. The statistical work in countries of Eastern Europe, the Caucasus and Central Asia benefits from the support of the CIS Statistics Committee, which coordinates

the activities in those countries, promotes exchange of information, analyses socio-economic deve'opments, and develops common statistical recommendations.

9. This institutional landscape makes good international coordination and cooperation crucially important. The mechanisms and tools for implementing the coordination in practice are further explained in section II below.

II. Coordination of statistical work in the region of the Economic Commission for Europe

10. The Conference of European Statisticians and its Bureau provide a platform for coordination of international statistical work in the ECE region. Efficient coordination between the international organizations active in statistics is important in order to avoid duplication of work and to find synergies, in particular between ECE, the CIS Statistical Committee, Eurostat, OECD, the United Nations Statistics Division/Department of Economic and Social Affairs of the Secretariat as well as the International Monetary Fund (IMF) and the World Bank. The Conference has a bridging role between the EU and OECD countries, and the non-EU, non-OECD countries. It also provides a link with the statistical work undertaken by a number of specialized agencies, such as the International Labour Organization (ILO) and the World Health Organization (WHO), among others.

11. The coordination of statistical work in Europe has its roots in the League of Nations. The first Conference on Statistics took place in Geneva already in 1928, and led to a series of meetings of national and international statistical experts. The Conference brought together 40 countries, including the United States of America, which was not a member of the League of Nations. Those meetings continued until the work of the League of Nations was brought to a halt by the Second World War.

12. The Bureau of the Conference of European Statisticians also had a predecessor — the Committee of Statistical Experts — that met eight times over the period from 1931 to 1939. The members of that first Committee were: Canada, France, Germany, Italy, Norway, Poland, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America. Already at that time, the Committee created subgroups of specialists to draft recommendations for standards. As is the case today, the draft recommendations were widely consulted with the participants of the Conference.

13. The first Regional Meeting of European Statisticians was held in Geneva in 1949. It was named the Conference of European Statisticians at the third meeting in 1953. In 2012, the Conference will hold its 60th plenary session.

14. Throughout the years, the work of the Conference of European Statisticians has led to many tangible outputs. Task forces working under the auspices of the Conference bring together the leading experts to develop methodological guidance on issues not addressed elsewhere. The work takes into account the different levels of statistical development of the member countries. Therefore, the recommendations and standards that have been developed often have broad international relevance.

15. The Conference holds a plenary session every June which includes a formal session and two seminars. The formal session deals with the review of general issues related to the international statistical work in the region, while the two

seminars focus on specific topics of current interest to the heads of national and international statistical agencies. One of the seminars concerns foundational issues of statistical systems and the other one new, emerging issues. The seminar topics are selected by countries to address current priorities, and in most cases the discussions lead to follow-up actions to prepare concrete outputs.

16. New work under the Conference is often initiated by the Conference of European Statisticians seminars. Most recent examples of follow-up work to the seminars include the development of a guide entitled *Impact of Globalization on National Accounts*, a framework for measuring sustainable development, a compilation of practices of national statistical offices in responding to the financial crises, and a stocktaking report on measuring human capital.

17. An important tool for statistical coordination in the region is the so-called in-depth reviews of selected statistical areas, carried out by the Conference and its Bureau. The aim of the reviews is to identify the need for better coordination, possible duplication of work and, most importantly, identify areas where methodological work is needed at the international level. The topics are also coordinated with the Statistics Division to avoid any overlap with the programme reviews conducted by the Statistical Commission.

18. During the last two years, the following topics have been reviewed: statistical dissemination and communication; government finance, fiscal and public sector statistics; the use of secondary and mixed sources for official statistics; time-use surveys; measuring the information society and statistics on science, technology and innovation; education statistics; global manufacturing; and household survey methods. The reviews lead to practical follow-up actions to address the problems identified, such as development of guidelines or recommendations, setting up wikis to share information, etc. The review papers are available at the ECE Statistical Division's website.[1]

19. Another important tool for the coordination of statistical work in the region is the Database of International Statistical Activities (DISA), compiled and maintained by the ECE secretariat. The Database is an annually updated compendium of statistical work of international organizations active in statistics in the ECE region. It is available online for countries and international organizations to foster cooperation and avoid duplication of effort.[2] The classification of statistical activities used in the database (the so-called DISA classification) has been adopted for various other purposes. For example, it is used for reporting on technical assistance activities by the Partnership in Statistics for Development in the 21st Century — the PARIS 21 Consortium. The first three domains of this classification have been adopted as part of the Statistical Data and Metadata eXchange (SDMX) standard. The classification is also being used for the Global Inventory of Statistical Standards currently being prepared by the Committee for the Coordination of Statistical Activities.

20. ECE actively participates in and contributes to the various forums organized and coordinated by the Statistics Division with the purpose of ensuring good coordination of work within the United Nations system. This includes follow-up to the decisions taken by the Statistical Commission, the Committee for the

[1] www.unece.org/stats/stats_h.html.

[2] www1.unece.org/stat/platform/display/DISA2011.

Coordination of Statistical Activities and the coordination among the United Nations entities through the United Nations-Economic and Social Affairs cluster.

21. ECE provides the "regional arm" for promoting and implementing the global statistical standards in the region. For example, ECE is involved in developing the regional plan for the implementation of the *System of National Accounts 2008*[3] (2008 SNA), in work to improve the Millennium Development Goals indicators and in the development of gender statistics.

III. Methodological work

A. Latest guidelines and recommendations

22. Given the institutional setup in the region, many of the activities in the statistical programme are undertaken jointly with the main partners of ECE — Eurostat and OECD. This ensures efficient use of the resources and expertise of these organizations. Work targeting the countries of Eastern Europe, the Caucasus and Central Asia, especially capacity-building projects, is conducted in close cooperation and coordination with the CIS Statistical Committee and other major partners, such as the World Bank, Eurostat, the European Free Trade Association (EFTA), IMF and the United Nations Population Fund (UNFPA) and a number of other United Nations agencies.

23. The Conference provides a platform for the member States and international organizations to undertake joint methodological work on cutting-edge issues in statistics. The work leads to the production of manuals, guides and recommendations recognized and used by countries in the region and often beyond the ECE constituency. The regional diversity provides a good basis for developing guidelines and recommendations that can be used in both developed and developing statistical systems.

24. All statistical guidelines and recommendations are available on the ECE website, which also includes an online library of training materials. Some of the latest examples of such guides, prepared jointly with main partners, are listed below:

(a) The guide entitled *Impact of Globalization on National Accounts* provides comprehensive guidance for producers of economic statistics and those who use the data for policy analysis and research on how to deal with the impact of globalization;

(b) The second edition of the *Canberra Group Handbook on Household Income Statistics* reflects the latest international standards for household income statistics and provides further guidance on conceptual and practical issues related to their production and use;

(c) The guide on measuring quality of employment introduces a new concept for statistical measurement of quality of employment by unifying elements of earlier approaches, provides the results of pilot testing of a set of indicators, and recommends potential indicators for measuring quality of employment;

[3] United Nations publication, Sales No. E.08.XVII.29.

(d) *Developing Gender Statistics: a Practical Tool* provides guidance to statistical organizations in the production and use of gender statistics that is vital for policymakers for measuring progress in achieving gender equality. The manual is available in English and Russian and is planned to be translated into Spanish;

(e) *Manual on Victimization Surveys*, prepared in collaboration with the United Nations Office on Drugs and Crime (UNODC), provides methodological guidelines for measuring victimization in society. The Manual is being translated into Russian, French and Spanish for use outside of the ECE region. The French and Spanish versions will be used by UNODC for regional and national training activities in various countries in Africa and Latin America;

(f) *Conference of European Statisticians Recommendations for the 2010 Censuses of Population and Housing* provides assistance to countries in census-taking. The recommendations have been widely applied by countries in the recent round of censuses and have helped to improve the comparability of census data;

(g) *Measuring Sustainable Development* provides a framework for statistics on sustainable development based on the capital approach. The report promotes greater harmonization and comparability of statistics on sustainable development between countries;

(h) The Generic Statistical Business Process Model developed by ECE in international cooperation has been adopted by 40 organizations around the world. Examples of countries outside the ECE region include the Republic of Korea, Australia and New Zealand;

(i) The *Making Data Meaningful* guide (Parts 1-3) offers tips and recommendations on how to write stories about numbers, present statistics and communicate with the media. The guide has been translated into Croatian, Japanese, Russian and Spanish by the respective countries.

B. Current challenges in methodological work

25. The challenges and future priorities for the statistical work in the ECE region were discussed by the Bureau of the Conference of European Statisticians in November 2011. The Bureau concluded that the issues dealt with by the Conference converge around four main pillars: globalization; sustainable development and environment; streamlining statistical production; and population censuses in the light of increasing use of register data.

26. The first pillar, globalization, and its impact on statistics is at the core of the work of the Conference, including both economic and social dimensions, such as migration. First, further guidance on how to account for the activities of multinational enterprises and the growing cross-border movement of people, capital, goods and services is needed. As a follow-up to the guide entitled *Impact of Globalization on National Accounts*, a task force was set up to develop practical guidance on global production in support of the implementation of the 2008 SNA and the sixth edition of the *Balance of Payments Manual* (BPM6). Secondly, the dialogue on international migration in the General Assembly has led to increased efforts to improve the measurement of migration. Among other related activities,

ECE will launch a clearing house on migration statistics with data for the countries of Eastern Europe, the Caucasus and Central Asia.

27. Issues related to the measurement of sustainable development and environment are of increasing importance for the countries of the ECE region. Since 2009, a joint task force with the ECE Environment Division has reviewed methodologies and produced time series to improve comparability of environmental statistics in the countries of Eastern Europe, the Caucasus and Central Asia.

28. At its 64th session in March 2011, ECE highlighted the importance of high-quality statistical information to monitor the implementation of sustainable development strategies. The Commission requested the Conference to develop recommendations and agree on a common framework for measuring sustainable development within the realm of official statistics. Many different approaches and indicator sets exist in this area. A Joint ECE/Eurostat/OECD task force is therefore working towards harmonization of the approaches to measuring sustainable development. The work follows up on a conceptual framework based on the capital approach (published in 2009). The framework is extended to cover the issues of current well-being, quality of life and the international aspect of sustainable development. The proposed set of sustainable development indicators covers the "needs of the present generation", the "needs of the future generations" and the "international dimension". The Task Force plans to finalize the report in 2012. Furthermore, a small expert group has been set up to take stock of what has been done so far in measuring human capital.

29. Following the request of the Bureau of the Conference of European Statisticians and the United Nations Committee of Experts on Environmental-Economic Accounting, the ECE secretariat carried out a survey to explore the involvement of national statistical officers in climate change-related work and to identify issues of common concern to be addressed at the international level. The questionnaire was prepared in consultation with experts from Statistics Norway, Statistics Finland, Eurostat and the European Environment Agency. The survey covered the involvement of national statistical officers in producing data for greenhouse gas emission inventories, work on climate change indicators, and priorities and future plans concerning climate change-related statistics. The survey was carried out in 2011 in coordination with Eurostat and the Statistics Division. In total, 47 countries from the ECE region and beyond replied to the questionnaire. A small task force will be set up to address the concerns identified in the survey.

30. Modernizing and streamlining statistical production is a topical challenge for most statistical offices. The work aims at greater efficiency that will allow improvement of data quality and produce new statistical information to meet the needs of policymakers. To advance the work, in 2010 the Conference of European Statisticians created a High-level Group for Strategic Developments in Business Architecture in Statistics (chaired by Statistics Netherlands), with the strong support and involvement of Eurostat, OECD and the Australian Bureau of Statistics. The purpose is to oversee and guide standardization of statistical production and to develop new innovative approaches. Linked to this work, the Bureau of the Conference of European Statisticians created a task force to develop recommendations for statistical business registers, which are a fundamental part of business architecture in improving efficiency of statistical production as well as coherence between statistics.

31. ECE has long experience in developing census recommendations, and it works with member States to promote efficiency and innovation in census-taking, in particular the use of registers. A Conference of European Statisticians seminar in 2012 will explore how technological and methodological innovations could make censuses more efficient in the production of high-quality data while controlling costs. The seminar will feed into the Statistical Commission's analysis of the experiences with recent censuses.

32. Measurement of people's well-being and social environment has gained increasing attention. In this context, work has been undertaken related to time-use surveys, gender equality and quality of employment. The need for better harmonization and timeliness of time-use statistics has led to the establishment of the Task Force on Time-use Surveys. In 2012, the Task Force will develop a set of guidelines with a view to harmonizing time-use surveys and improving comparability of time-use statistics. It will collect good practices to support countries in implementing these demanding surveys and will investigate ways of further increasing the policy relevance of time-use surveys and ways of more cost-effective survey-taking. A newly established task force on indicators of gender equality works towards a common set of indicators. The indicators on quality of employment will be further improved based on the outcome of the testing in countries, and operational guidelines will be developed for the calculation of indicators in practice.

33. All these initiatives will be conducted in close cooperation with major partners, such as Eurostat and OECD, and in coordination with other international initiatives in these areas. Particular attention will be paid to coordinating the work with the Statistical Division and its working groups to ensure global consultation.

IV. Challenges in the countries of Eastern Europe, the Caucasus and Central Asia and statistical capacity-building

A. Overview

34. ECE works to enhance the capacity of the national statistical systems of the countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries in implementing international standards and guidelines. Particular attention is paid to adherence to the United Nations Fundamental Principles of Official Statistics that provide the basis for a sound legal and institutional framework for national statistical systems.

35. The statistical capacity-building activities of ECE include:

(a) Global assessments of national statistical systems;

(b) Training workshops organized under capacity-building projects funded externally and by the United Nations Development Account;

(c) Advisory services by the ECE experts to address country-specific needs.

B. Global assessments of national statistical systems

36. The aim of the global assessments of national statistical systems is to provide a clear picture of the state of development of official statistics in a country. The assessments are carried out at the request of countries and they address both the institutional capacity and compliance with international standards, in particular with the Fundamental Principles of Official Statistics. ECE conducts global assessments for the countries of Eastern Europe, the Caucasus and Central Asia together with Eurostat and EFTA. The findings from global assessments provide a good basis for planning the ECE statistical capacity-building activities.

37. A global assessment is conducted by a small group of senior experts with a broad knowledge of official statistics. It usually consists of two country missions of about 5 to 10 working days. During the first mission, the experts meet with all major national producers of official statistics and collect information on the state and plans for the development of the statistical system. A draft report with concrete recommendations is discussed and approved during the second mission. The report is made publicly available.

38. The recommendations given in the assessment help the national authorities to better programme the long-term development of statistics. The results also guide the international donors in focusing their capacity-building activities according to the identified needs.

39. In 2010-2011, ECE, together with Eurostat and EFTA, carried out global assessments of the statistical systems of Armenia, Azerbaijan, Kyrgyzstan and Ukraine. In the next stage, the Commission will discuss the national action plans designed to address the recommendations. In 2012, global assessments are planned in Belarus, Georgia, the Republic of Moldova and Tajikistan.

C. Developing the institutional framework of official statistics

40. The global assessments carried out so far have highlighted the following main challenges related to the institutional framework:

(a) Need for further updating of legislation to guarantee the professional independence of the statistical offices, strengthen national coordination and align the legislation with the Fundamental Principles of Official Statistics;

(b) Defining the boundaries of the national systems of official statistics;

(c) Distinguishing between data collection for statistical and administrative purposes: it is of utmost importance for the reliability and credibility of statistics that the individual data collected are used exclusively for statistical purposes, as highlighted in the Fundamental Principles;

(d) Need for establishing a high-level advisory body, composed of main users, as an important institutional feature to ensure that the system of official statistics remains relevant.

41. As a result of global assessments, a number of countries have reviewed or are reviewing their national statistical legislation.

D. Statistical production

42. The global assessments also evaluate the organizational structure, the functioning of the statistical system and the organization of primary data collection and registers.

43. Modernizing statistical production and the organizational structure of statistical offices is a fundamental challenge for the countries of Eastern Europe, the Caucasus and Central Asia. It is expected that these countries will benefit from the work of the High-level Group for Strategic Developments in Business Architecture in Statistics to implement a vision for industrializing the future production and products of official statistics.

44. The global assessments highlight the following issues in statistical production:

(a) Centralization and modernization of statistical production and full integration and modernization of computer services to avoid duplication of work;

(b) Development of a comprehensive human resources and training policy to include staff mobility options, enlarge training to non-technical areas such as project and quality management as well as communication skills, and improve language skills to strengthen international cooperation;

(c) Introducing a comprehensive quality policy for official statistics and establishing a process for quality monitoring and management;

(d) Modernizing the communication and marketing strategy, establishing a special department responsible for this area, publishing advance release calendars, improving communication with the media and users of statistics and developing online dissemination databases.

45. ECE has organized a number of workshops for the countries of Eastern Europe, the Caucasus and Central Asia on new dissemination technologies, such as the PC-Axis widely used by European statistical offices. Several countries have recently started using this software to improve dissemination of statistical data.

E. Economic statistics

46. In recent years, there has been significant progress in the capacity of the countries of Eastern Europe, the Caucasus and Central Asia to produce comparable national accounts data, and many of them have successfully introduced the internationally comparable economic activity classification, the International Standard Industrial Classification (ISIC Rev.3). The major challenge will be the switch to the 2008 SNA, while still working to implement a full system of accounts and introducing the new classification of economic activities (ISIC Rev.4). There is also a need to improve statistical business registers and develop new statistics for services, such as price deflators and volume measures.

47. According to an ECE survey carried out in 2010, the main challenges of the countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries in implementing the 2008 SNA include: capitalization of research and development, exhaustiveness of the accounts, including measures of non-observed economy, financial services, delineation of the public/private/government sectors, and development of price deflators and volume measures for

services. To this end, ECE has provided the countries with support, together with regional partners, on measuring the non-observed economy, government finance statistics and public and government sectors. Most countries have started to estimate the non-observed economy on a regular basis and following international guidelines.

48. A number of countries have requested more detailed guidance and recommendations for the development of national implementation plans towards the 2008 SNA. In 2011, ECE held a workshop in Kiev, with the Statistics Division and EFTA, to assist countries in drafting their implementation plans and to respond to the request of the Statistical Commission. The work will continue in 2012.

49. Further development of statistical business registers would help to improve the quality and coherence of economic statistics and streamline the production process. In most countries, business registers are not yet fully used and contain some problems of an administrative nature, such as inactive or non-existent units. Improved business registers could help to introduce sampling techniques which are not yet widely used. Thus, the ECE activities on modernizing statistical production will also address the development of statistical business registers.

50. The ECE assessment of the availability and international comparability of short-term statistics in the region of Eastern Europe, the Caucasus and Central Asia identified the lack of time series data and of seasonally adjusted series as a problem in most countries. Comprehensive short-term statistics on the service sector are rarely produced. In general, international comparability of short-term economic statistics, including price indices, requires further work. Since 2010, with financial support from the World Bank, ECE is carrying out a capacity-building programme to address these challenges.

F. Social and demographic statistics

51. The majority of the countries of Eastern Europe, the Caucasus and Central Asia have successfully conducted the 2010 round of the population and housing censuses. The countries are also working to improve the measurement of migration.

52. In the period between 2006 and 2011, ECE organized a number of training workshops and meetings on population and housing censuses for the countries of Eastern Europe, the Caucasus and Central Asia in cooperation with the United Nations Population Fund, and drafted the census recommendations of the Conference of European Statisticians. The preliminary results of censuses indicate improved quality of data compared to the previous round. As a result of implementing those recommendations, information was also collected on international migration. To date, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, the Russian Federation and Tajikistan have conducted their censuses. In Uzbekistan, a census based on 10 per cent of the population was carried out in April 2011. The Republic of Moldova, Turkmenistan and Ukraine are planning to conduct the census in 2012, and Georgia plans to do so in 2013. The countries will need further support for disseminating the results with modern technologies, such as dynamic web pages and Geographic Information Systems (GIS) tools.

53. The countries of Eastern Europe, the Caucasus and Central Asia have made notable progress in producing and disseminating data on international migration. Challenges remain, and the use of the immigration data of the destination countries

in measuring emigration should be improved. ECE will launch a clearing house on migration statistics for the above-mentioned countries to facilitate cross-checking of data between countries. A United Nations Development Account project with UNFPA and other partners has also resulted in a publication entitled *Statistics on International Migration: A Practical Guide for Countries of Eastern Europe and Central Asia*, and in an online inventory, *Migratory*, presenting a broad range of sources of information on migration in Europe, Central Asia and North America.

54. According to an assessment of the countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries conducted in 2003, the region was struggling to establish regular gender statistics but data gaps existed. Since then, they have introduced new gender-relevant indicators and improved existing statistics for gender-sensitive policymaking. In response to the General Assembly resolutions on violence against women, the countries contributed to the development of a survey module on violence against women. The model was tested by several countries in different regions of the world and could become a standard data collection tool. The work is closely linked to the development of guidelines for producing statistics on violence against women undertaken by the Statistical Commission.

G. Environment and multidomain statistics

55. Close attention to environmental issues has increased the demand for internationally comparable statistics for environmental monitoring. The countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries need to improve statistical processes for producing indicators on environment and sustainable development. The cooperation between various government institutions providing data on different environmental aspects should be strengthened to improve consistency of data. The ECE Intersectoral Task Force has been reviewing the indicators recommended by the *ECE Guidelines for the Application of Environmental Indicators in Eastern Europe, Caucasus and Central Asia (Indicator Guidelines)*. These include environmental indicators in key areas such as clean air, energy, drinking water, waste, forest biodiversity, sustainable transport, and so forth. The Task Force also considered additional indicators to be included in the *Indicator Guidelines*, namely, the indicator of environmental expenditures, agri-environmental indicators, energy and environment indicators, and new water and biodiversity indicators. Further work will also include the development of a core set of indicators that could be the basis for a regular collection of data. A newly launched United Nations Development Account project will support the countries of Eastern Europe, the Caucasus and Central Asia in addressing these problems. The activities will be coordinated with the Statistics Division, the European Environment Agency and Eurostat.

56. The availability and quality of data remains an issue for the Millennium Development Goal indicators, despite the notable progress achieved by the countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries. For each indicator, several different sources and methods are used which give different results. Therefore, discrepancies between international and national estimates still exist. A number of national statistical offices lack the capacity to analyse the Millennium Development Goal indicators, and quality issues hamper the use of the national Millennium Development Goal reports.

57. As the Millennium Development Goal indicators are spearheaded towards the least developed countries, they are not always relevant for the countries of Eastern Europe, the Caucasus and Central Asia and the South-East European countries. ECE has worked, in cooperation with those countries, ILO, the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), UNFPA, the Statistics Division and the World Bank, to harmonize the methodology and select relevant indicators that match the specific regional challenges. Several capacity-building activities on Millennium Development Goals have been organized to address existing data gaps and data quality issues related to the Millennium Development Goal indicators. ECE recently launched a regional Millennium Development Goal database to monitor progress and further improve the Millennium Development Goal indicators for these countries. This database provides up-to-date indicators for monitoring progress towards all eight Millennium Development Goals related to poverty, education, gender, child mortality, maternal health, diseases, environmental sustainability and global partnerships.

V. The way forward

58. The work will continue to focus on meeting countries' needs and priorities, in close cooperation with the major partners in the ECE region. Cooperation and coordination with other United Nations regional commissions will be further improved. The good practice of joint capacity-building projects in areas of common interest will continue, such as the joint United Nations Development Account projects.

59. ECE supports strengthening the cooperation and coordination with the Statistics Division and international organizations on the implementation of global standards adopted by the Statistical Commission, and to ensure global consultation on guidelines and recommendations developed under the umbrella of the Conference of European Statisticians. The cooperation with the Statistical Division and United Nations agencies will be further enhanced.

VI. Action to be taken by the Statistical Commission

60. **The Commission may wish to comment on:**

(a) **The statistical work undertaken in the ECE region;**

(b) **The role of the global assessments for enhancing the capacity of national statistical systems of countries in implementing international standards and guidelines;**

(c) **The statistical capacity-building challenges identified in the countries of Eastern Europe, the Caucasus and Central Asia, as outlined in section IV.**